




Clinton County Connection

45

Your Touchstone Energy® Partner 

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Purchase Power Costs

At the May 2013 regular board meeting, the Board of Trustees approved management's recommendations of implementing a \$0.00400/kWh PCA Factor to be reflected on the members' July 2013 bills. A PCA is an abbreviation for Power Cost Adjustment. At the March 21, 2013 Annual Meeting we informed the membership that implementing a PCA sometime during the summer of 2013 was a possibility.

WHY NOW? As we reported at the Annual Meeting, your Cooperative had a negative Operating Margin in 2012. We expected and planned for that to happen, but cannot continue to plan for negative Operating Margins. Positive Operating Margins are needed to ensure the long term financial stability of your Cooperative. With that being said, power costs to your Cooperative increased by over \$2,000,000 in 2012. Also, in 2012 the Cooperative increased members' rates by a little more than \$1,214,000, leaving a deficit of approximately \$800,000. Our expectation was that Southern Illinois Power Cooperative (SIPC), our wholesale power provider located in Marion, IL, would lower rates to us in 2013 by more than \$600,000. To date, that expectation has not been met. Therefore, to ensure the long term financial stability of your Cooperative, we feel that implementing a PCA is needed at this time.

PCA: PERMANENT OR TEMPORARY? That is a good question and honestly we don't know the answer. Our hope is temporary, but please do not interpret that as a guarantee. We do know that the \$0.00400/kWh will be in effect for the remainder of 2013. After that it becomes less clear. The real question is "what happens to our future Purchase Power Costs?" SIPC has been doing a good job of controlling costs at their Marion power plants. The problem today

rests at Prairie States Generating Station (PSGS). To date PSGS has been unable to meet its expectations in regards to efficiencies and productivity. That being said, there has been a slight increase in efficiencies and productivity within the past month or two. We are completely confident that PSGS will eventually meet and exceed their planned expectations.

WHY A PCA VS RATE INCREASE? One word and that is "flexibility." A rate increase is generally implemented as a permanent solution to a revenue shortfall. As discussed earlier, we honestly do not know if the need for an increase in revenues is temporary or permanent. If at some point in the future we determine the need for additional revenues no longer exists, then we can simply eliminate or reduce the PCA Factor. Whereas, reducing a rate increase is very cumbersome and time consuming. The reality of the situation is implementing a PCA or a rate increase has the same short term effect upon the membership, higher bills.

HOW WILL THIS AFFECT THE MEMBERSHIP? Anyone who consumes energy will see a slight monthly increase. At the last Annual Meeting I stated, "The average member being served on Rate 01 consumes 1,284 kWh per month." The impact on that average member will be:

Current Billing	
Facility Charge	\$34.00
Energy Charge (1,284 x \$0.009542)	<u>122.52</u>
Total Current Billing	\$156.52
New PCA (1,284 x \$0.00400)	<u>5.14</u>
Billing Total w/PCA	\$161.66

(Continued on page 16b)

Did you know you can pay your electric bill through our website?

It is easy to pay your Clinton County Electric bill through our website. To pay online, simply visit our website www.cceci.com, click E-Business Solution on the upper left side of the page and follow the prompts for your initial set up. To accomplish this, the only thing you will need is a copy of your electric statement.

Once you are set up, you will be able to pay your bill via credit card, debit card or from your checking account. You will also have the ability to set your electric bill up for recurring payment each month, giving you peace of mind knowing your bill is paid on time! Also, once registered, a notification will be sent to you via email each month letting you know your bill is available online for viewing.

You will continue to receive your paper bill in the mail unless you opt for "paperless" billing on our website. By logging into your personal account



on our website, you also gain access to valuable information about your account history. Do not hesitate to contact us at 618-526-7282 or via email at billing@cceci.com with any questions. Paying online through

our website is safe and convenient. Signing up for recurring payment will help you rest assured your payment will not be late, preventing a 5% late payment fee. Visit our website today!

President's letter *(Continued from page 16a)*

That average member will experience, what we hope to be a temporary, monthly increase of \$5.14 or 3.28%. Since the PCA is billed on all kWh's, the less the member consumes, the less the increase will be. On the reverse side, the more the member consumes, the more the increase will be.

The Board of Trustees and management understand that increasing rates whether it is a temporary or permanent solution puts added financial pressure upon each member. Please understand this was not a decision that was made in haste, but rather a deci-

sion that ensures a financially strong Cooperative going forward.

Please remember, all initiatives we embark upon always have our members' best interest in mind. Providing our members with affordable, reliable electricity while providing excellent service will continue to be our goal. As always, if you have any comments or questions, please don't hesitate to contact me at Johnson@cceci.com.



**In observance of
Labor Day, the office
will be CLOSED on
Monday, September 3rd**

Enhancing reliability

The photos below show phase 2 of our 4 phase project to enhance reliability in the southeastern side of our service territory. As discussed before, phase 1 was the construction of a new Ferrin Substation. That substation was energized in January of 2013.

Phase 2 is a double circuit, 3-phase, 336 line running about 1.8 miles south along Creek Road. Phases 3 & 4 of the plan include continuing construction along Creek Road another 2 miles south to Highway 161 and then about 3 miles east along Highway

161, eventually tying into the Shattuc Substation. The estimated investment of this 4 year plan is approximately two million dollars and is scheduled to be completed by the end of 2015.



◀ *In this photo, Big D Electric is preparing to pull line tight on the bottom circuit. The old energized line is leaning towards the field. This is done so the new line can be constructed without affecting members' power.*

Pieces of "cover-up" are placed on energized line enabling crews to work safely, while the existing line remains hot.

This too is done so members do not experience a loss of power during the stringing process.▶



◀ *The apparatus on the left side of the photo is called a string trailer. This trailer is used by crews to string 3-phase line safely, efficiently and effectively.*



▲ *Here a Big D Electric crew member is installing stringing pulleys to the newly constructed cross arm.*



◀ *This photo represents the finished product with the new line pulled and ready to be energized.*

"Like" Clinton County Electric Cooperative, Inc. on Facebook

Do you have a Facebook account? If so, have you taken the time to "Like" Clinton County Electric Cooperative, Inc.? If not, consider doing so. To keep up with technology and to communicate effectively with certain age groups, CCECI has its own Facebook Page at www.facebook.com/ClintonCountyElectric. We use our Facebook page to relay late breaking and time sensitive information to you, our membership. If you visit the page, you will see that we have information about paying your electric bill online and calling JULIE before you dig. More importantly, we also use Facebook to communicate with our members in cases of widespread power outages. If we are hit by a severe storm, natural disaster or any other unforeseen incident that knocks out power to one or more substations, we post related information as soon as we are able on our Facebook page. This enables our membership to access the information via Smartphone when their power/internet is out or when they are away from their home. This can also be very helpful during storms or widespread outages, especially if the phone lines are jam-packed and you can't get through to the Cooperative. In the event of an emergency, we may also pass on important information from other organizations; only if we feel it pertinent to our members. We will not be like some "Facebookers"



and post worthless and useless information. All of our posts will be informative and concise.

If you have a Facebook account, simply "Like" our page to find updates in your news feed from the Cooperative. You'll be glad you did! Feel free to communicate with us as well. Remember, for security purposes please do not use any personal information like addresses, phone numbers, account numbers and such. Once it is posted, everyone has access to it. If you do not have a Facebook account, you can still view our updates! Just visit www.facebook.com/ClintonCountyElectric at your leisure to find out what is currently going on at Clinton County Electric.

We would appreciate any comments, concerns or questions regarding the Cooperative using Facebook as a means of communicating with you, the member.

**EVERY MEMBER HAS A VOICE.
MAKE SURE YOURS IS HEARD.**

As an electric co-op member you have a say in how the co-op is run. Isn't that nice to hear? Learn more about the power of your co-op membership at TogetherWeSave.com.

